



The Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Eagle Electric
File: B-228500
Date: February 5, 1988

DIGEST

Where bid contains a discrepancy between unit and extended price, bid may not be corrected where other bidder would be displaced and where nature of mistake and intent to bid differently from stated bid price are not apparent from the bid itself.

DECISION

Eagle Electric protests the award of a contract to Joe Rudnick Firewood Co., by the Department of the Interior's Bureau of Land Management under invitation for bids (IFB) No. YA-551-IFB7-240070. Eagle Electric contends that Rudnick was improperly permitted to correct its bid, thereby displacing Eagle Electric as the apparent low bidder.

We sustain the protest.

The IFB, issued on August 19, 1987, provided for the repair of the Ord Mountain Fence in San Bernardino County, California. Bid opening was held on March 23, 1987, and seven bids were received. Of these seven bids, the agency found that three bids were nonresponsive and that two other bids (those submitted by the protester and Rudnick), required mathematical corrections.

The IFB's bid schedule included six individual items, along with a brief description and the estimated quantity of each item. The solicitation required bidders to enter unit and extended prices based upon the estimated quantity involved.

The IFB's bid schedule provided that one unit of mobilization (start-up work) was required and the awardee, Rudnick, submitted its bid for this mobilization item as follows:

041227/134995

<u>Item No.</u>	<u>Pay Item No.</u>	<u>Description</u>	<u>Estimated Quantity</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total Amount</u>
1	01505(1)	Mobilization	1	JOB	\$1,470	\$4,410

When the extended prices for each of the required items listed on the schedule were added, Rudnick's original bid totaled \$24,950 and this is the amount which Rudnick inserted in the space provided on the bid schedule for the total bid. Eagle Electric's original total bid was for \$23,222, making it the apparent low bidder. Eagle's bid subsequently was corrected due to a mathematical error to \$23,086.80.

The contracting officer also found a multiplication error in Rudnick's extended bid price for the mobilization item and corrected it as an arithmetic discrepancy under part X of the solicitation which provided that the stated unit price shall govern. Accordingly, since one mobilization unit was required and Rudnick's unit price was \$1,470, its extended price was corrected to \$1,470 and Rudnick's total bid price was corrected to \$22,010. The correction of Rudnick's bid displaced Eagle Electric as the low bidder.

On September 24, 1987, a Western Union telegram was sent to Rudnick notifying the contractor of a possible error in its bid and requesting verification of its bid price. By letter of September 28, 1987, Rudnick verified its bid price of \$22,010 and stated that it would complete the job at that price. Award was made to Rudnick on October 7, 1987.

Eagle Electric contends that Rudnick actually intended its original bid of \$4,410 for the three locations at \$1,470 per site and that the correction of Rudnick's bid after bid opening should not be allowed. Eagle Electric argues that it is the low responsive, responsible bidder and should be awarded the contract. We agree with the protester that the alleged mistake cannot be corrected in these circumstances.

While the mistake-in-bid rules are intended to permit relief to bidders who make genuine mistakes in their bids, the paramount concern of the rules is the protection of the competitive bidding system. Panoramic Studios, B-200664, Aug. 17, 1981, 81-2 CPD ¶ 144. Generally, where, as here, a bid contains a price discrepancy and the bid would be low on the basis of one price, but not the other, correction is not allowed if the discrepancy can only be resolved by resorting to evidence that is extraneous to the bid and has been under the control of the bidder. See OTKM Construction, Inc., 64 Comp. Gen. 830 (1985), 85-2 CPD ¶ 273, and cases cited therein. Similarly, we have held that an agency may not rely on a bidder's confirmation of its bid where the bid itself

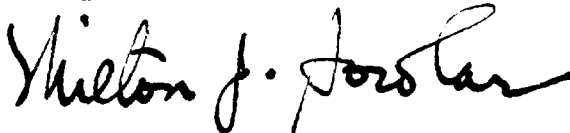
indicates that both unit and extended prices reasonably could have been intended. See Hudgins Construction Co., Inc., B-213307, Nov. 15, 1983, 83-2 CPD ¶ 570. To hold otherwise would permit the bidder to gain an unfair advantage over the other bidders by allowing the bidder discretion, after prices are revealed, to choose between a bid price which results in award and a bid price which does not. Id. Moreover, this rule is applicable, notwithstanding the solicitation provision for resolving the discrepancy between the unit and extended prices in favor of one or the other. Id.

We find nothing on the face of Rudnick's bid which indicates that Rudnick could not reasonably have intended its stated bid price of \$4,410 for the mobilization requirement. Since the solicitation calls for mobilization at three locations, despite the solicitation's schedule treating mobilization as one unit, the \$4,410 bid for this item reasonably could have been the intended bid. We find that the alleged discrepancy between the unit and extended prices in Rudnick's bid does not actually indicate a mistake was made. The alleged mistake simply does not lead to only one reasonable interpretation as the agency suggests.

With regard to Rudnick's intended total bid price, it is unclear that Rudnick's original total bid was not the intended bid and that a mistake was made. The total of \$24,950 is the precise sum of the line items including the alleged mistaken line item price. Further, Rudnick's original total price is directly in line with the agency's estimate for the project and the total bid prices offered by the other responsive bidders. Accordingly, we find that the agency improperly allowed the correction of a suspected error in Rudnick's bid since neither the nature of the mistake nor the intent of the bidder to bid differently from its stated bid price was apparent on the face of the bid.

With regard to a remedy, the agency advises that performance has been withheld. Accordingly, by separate letter of today, we recommend that the agency terminate for the convenience of the government its contract with Rudnick and award the contract to Eagle Electric as the low responsive, responsible bidder, if otherwise proper.

The protest is sustained.



Acting Comptroller General
of the United States